

CHAPTER 3

ECONOMIC VITALITY



A Master Plan for the Next Generation





ECONOMIC VITALITY

Harford County is part of the Greater Baltimore Region, advantageously located in the heart of the Mid-Atlantic with convenient access to East Coast markets. Harford County cultivates a highly-skilled workforce and an unparalleled quality of life for residents. Diverse industry sectors including defense, manufacturing, distribution, healthcare and IT combined with location, logistics, a skilled workforce, and business-friendly environment offer the ideal setting for new and expanding businesses and families alike. Harford County is Maryland's New Center of Opportunity. The Economic Vitality theme outlines a framework of policies and implementations that are organized around three key principles: Grow Economic Opportunity, Revitalize Existing Communities, and Ensure a Skilled Workforce.

State Visions:

*Public Participation
Quality of Life and
Sustainability
Infrastructure
Growth Areas
Economic Development
Housing
Implementation*

Overlapping Themes:

*Grow With Purpose
Preserving Our Heritage
Mobility and Connectivity*

Background

Historically, Harford County's economic success has been dependent upon two primary drivers: agriculture and Aberdeen Proving Ground (APG). Agriculture remains a key contributor to the county's prosperity; according to the USDA, the market value of agricultural products sold totaled over \$46 million in 2012, an increase from 2007 of more than \$3 million. Likewise, APG has been a key fixture in the County since 1917 and is currently Harford County's top employer and the State's third largest workforce center by population. Today, the US Army's oldest active proving ground is a research, development, testing and evaluation (RDT&E) hub for science and technology innovation with an increasing cyber mission. The 93-organization installation is a critical asset to our nation's security both domestic and abroad, and represents a 6.5 billion dollar economic impact to the region. More than 110 defense companies are located in Harford County. These companies are developing technologies such as 3D printing and prototyping making Harford County a pioneer in these fields.

Though Harford County's economic prosperity is shaped by a healthy agricultural community and base-related activities, new prospects are emerging through expanded commercial opportunities for agricultural producers and the launch of the County's small business incubator, the GroundFloor. Ensuring that the County's infrastructure is able to meet the needs of new industries is imperative.



The GroundFloor is Harford County's premier business incubator program.

Economic Indicators

Job Growth

According to the US Census, currently 126,050 of Harford County's residents are employed with approximately 53% of the workforce occupying jobs within the County. Growth is expected to occur in multiple employment sectors, especially the technology and distribution sector. The number of jobs in Harford County is expected to increase from 104,670 in 2010 to 167,260 jobs by 2040 according to the Bureau of Economic Analysis and the Department of Planning and Zoning. This growth in employment sectors will provide more job opportunities for the residents of Harford County.

Educational Attainment

Education is a crucial factor to the economic success of Harford County. New residents with a high level of educational attainment have been attracted to Harford County because of employment opportunities which require advanced degrees. In fact, the present workforce at APG holds 2,930 advanced degrees. Current residents are also continuing their education to keep up with industry demands. According to the American Community Survey 2009-2013, between the years of 2000 and 2013, the County experienced a 34% reduction in the number of students who did not receive a high school diploma. During that same time period the number of persons who received a bachelors degree or higher increased by 28.7%, while those who received a graduate or professional degree rose by 59.1%. This highly educated workforce ensures that Harford County can meet the challenge of attracting new industries, which in turn promotes economic success for businesses and residents throughout the County.

Economic Base

Harford County Government is committed to creating an economic climate that will attract new businesses and allow existing businesses to thrive and expand. The foundation of our economy must be built on a population that is prepared to enter the workforce with a diverse range of skills. Preparing our workforce to excel is vital to ensuring that our emerging employment sectors can prosper. Harford County's economy will be resilient in every sense by having a diversity of economic assets that can balance downturns and adapt to ever changing socio-economic conditions.

Jobs By Industry

Harford County's strong economy is based on its diversified employment sector, representing a wide range of industries. The number of jobs in the top industries can be found below.

Number of Jobs by Industry Category	2004	2014	% Change
Government	19,736	23,698	20.1%
Retail Trade	14,121	15,246	8.0%
Health care and social assistance	9,372	12,333	31.6%
Professional and technical services	9,402	11,143	18.5%
Transportation, warehousing, manufacturing	9,613	10,475	9.0%
Accommodation and food services	6,373	8,385	31.6%
Construction	9,253	8,230	-11.1%
Other services, except public administration	6,344	7,184	13.2%
Real estate and rental and leasing	4,407	5,621	27.5%
Administrative and waste services	5,422	5,331	-1.7%

Source: 2014 US Bureau of Economic Analysis

Over the past 10 years, multiple industries have seen job growth. The largest number of jobs within the County is in the government sector, which can largely be attributed to APG. The fastest growing industries in the past 10 years include health care and social assistance and

accommodation and food services. Industrial jobs are the fifth highest employment sector in Harford County. Evidence for this can be found in the large demand for industrial space.

US 40 Corridor

Harford County is committed to identifying opportunities that make the County's economic base more diverse. As commercial areas are aging throughout the US 40 Corridor and other commercial corridors throughout Harford County, revitalization strategies are needed to keep these areas vibrant as they age. The US 40 corridor provides unlimited opportunities for redevelopment efforts; however, Harford County must ensure that the availability of industrial land is not compromised. Over half (51%) of the total jobs located within Harford County can be found along this corridor. The County will coordinate its efforts to improve the US 40 corridor with the City of Aberdeen, the City of Havre de Grace and Aberdeen Proving Ground. This coordination will also help redevelop the Edgewood and Joppa areas. The long-term health and viability of the US 40 corridor will help the County create additional jobs to accommodate a diverse workforce.

The Water's Edge Corporate Campus is an example of a successful development along US 40 that incorporates multiple uses within a single development. Redevelopment along the US 40 corridor should emphasize mixed-use and transit-oriented development. Whether strengthening our infrastructure for mass transit, attracting millennials as our next wave of workers, or leveraging an opportunity for tech cluster development in proximity to Aberdeen Proving Ground, redevelopment is an investment in our future by balancing managed growth with continued preservation efforts.

Education & Workforce Development

Harford County has many educational and workforce assets including; a strong public school system with high graduation rates; a strong STEM focus with targeted and magnet programs; a model Science & Math Academy at Aberdeen High School; a Homeland Security program at Joppatowne High; and Biomedical program at Bel Air High. Harford Community College provides opportunities for residents to obtain an associates degree or an array of certificates. The College also provides 2 + 2 programs that make it convenient for residents to earn a four year degree. In addition, the University Center of Northeastern Maryland offers university courses, advanced education, training and resources.

Harford Community College in partnership with Towson University offer a 2+2 program for select programs. This program allows students to obtain a four-year degree at the Harford Community College Campus.

Harford County's Workforce Development effort is a partnership between government, higher education and industry. New and innovative programs in the area of continuing education, higher education, vocational and professional training have been developed to complement career awareness efforts and advanced skills development programs designed to support and grow a productive skilled and competitive labor force. The County also possesses a highly trained workforce that is well-suited to the service industry and technical sector. The County

has strong workforce partnerships among higher education, the local workforce investment board, and government and industry that recognize interdependency for economic stability. Harford County has a solid framework and funding tools in place for workforce training needs, including technical training grants. The Harford Business Innovation Center offers a technology incubator program that helps young technology and growth-oriented start-up companies by offering a critical combination of customized business support services and access to subject matter experts. With a highly-skilled workforce and a focus on innovation, Harford County is the premier setting for technology and entrepreneurship.

Economic Outlook

Economic Development Visioning and Work Plan

In 2011, the Economic Development Advisory Board (EDAB) developed their Visioning and Work Plan. This five-year plan provides a strategic approach to sustain and enhance the County's economic development while establishing its long-term, regional viability as a hub for technology in northeastern Maryland. The plan concentrates primarily on three key areas; land use, workforce development (and education), and finance. The Visioning and Work Plan aims to improve the economic climate throughout Harford County and will be updated during the planning horizon of HarfordNEXT.

Economic Opportunities

Despite the downturn in the economy experienced in the late 2000's, Harford County's economy is growing, with a strong existing retail, health care and industrial base. Cultivating a diversified economy that generates quality, stable, full-time jobs that contribute to a high quality of life for our residents will require a strategic approach to capitalize on emerging opportunities across various sectors. Our economic success depends upon job creation and preparing the workforce of tomorrow for those jobs. Partnerships with Harford Community College and the University Center of Northeastern Maryland are essential to educating and training a skilled workforce that is able to adapt to the changing needs of the marketplace. Other opportunities exist to invest in the future of our workforce by partnering with the Board of Education to create programs that focus on science and technology.

Harford County has supported the vital mission of Aberdeen Proving Ground since its founding in 1917. APG will continue to provide a significant number of jobs, directly or indirectly, within Harford County. Building upon the world-class research and work performed at APG, unique opportunities exist to diversify the local economy and stimulate job creation. A significant portion of this century's job creation will be in the fields of biotechnology, and Harford County is poised to capitalize on such opportunities with a strong and well trained workforce.

Opportunities exist to revitalize and redevelop along US 40 to make the Chesapeake Science and Security Corridor (CSSC) the premier location for industries that support APG's mission. Identifying the impediments to redevelopment along the corridor is necessary to developing strategies that encourage revitalization and reinvestment within the CSSC. Innovative and forward thinking planning approaches, such as form based codes, transit oriented development, increased densities, and overlay districts can be employed to meet the long held goal of revitalizing the corridor.

The County's agricultural sector is equally important to the health of our economy. Opportunities exist to expand the marketing of locally grown and value added products. The County can also pursue opportunities to capitalize on heritage tourism and agritourism which have the added benefit of promoting the diverse range of products produced by our farms. The viability of farming and our economy in general will depend upon the ability to quickly adapt to changes in technology and capitalizing on new and expanding markets to solidify Harford County as a strong competitor in the region.

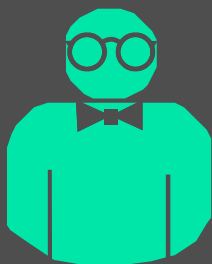
Harford County has experienced many physical, demographic and economic changes over the past decade in response to local and regional conditions. Harford County recognizes that these changes can present opportunities that will require an adaptive approach to building a diverse and vibrant economy. This will ensure that Harford County is "The New Center for Opportunity". HarfordNEXT supports economic development efforts that contribute to the County's long term sustainability and resiliency. The regional and national economy is very dynamic and will require the County to be nimble, while remaining strategic.

HARFORD

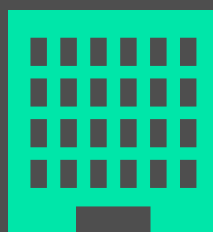
Maryland's New Center of Opportunity



Job Innovation



66,200 PEOPLE ARE
EMPLOYED BY
HARFORD'S 5,600
BUSINESSES



ABERDEEN PROVING GROUND
GROWS WITH THE ADDITION
OF 110 CONTRACTOR FIRMS

100



EMPLOYERS IN
HARFORD
WITH OVER
100 EMPLOYEES

High Speed Enterprise



135

connections to HMAN, the Harford Metro Area
network, changing business communication
in Harford County

Workforce Readiness



20,337
credit and non-credit
students attended
Harford Community
College in 2015

32.7%
12.9%

have a Bachelor's Degree
or higher

have a Master's Degree
or higher



Source: Maryland Department of Business and Economic Development, 2009-2013 American Community Survey, U.S. Census Bureau, Harford Community College, Harford County Government

Principles, Goals, and Policies for Economic Vitality (EV):

GROW ECONOMIC OPPORTUNITIES AND COMPETITIVENESS

Goal EV 1.1: Review and amend regulatory strategies and tools that prevent economic growth.

Rationale: Routinely evaluating the development review process and codes will ensure that the County can adapt to changing socio-economic conditions.

Implementation

(a) Conduct an analysis of land use regulations affecting redevelopment to determine if they allow for economically feasible and quality development to occur.

(b) Evaluate parking regulations and modify as needed to ensure standards appropriately address commercial and environmental needs.

(c) Work with the Office of Economic Development and the business community to identify regulatory obstacles that impede starting or growing a business in the County.

(d) Work with municipalities to establish consistent development regulations to facilitate greater transparency and remove administrative burdens in the development process.

Goal EV 1.2: Plan for infrastructure improvements as an incentive to stimulate economic development.

Rationale: Strategically investing in infrastructure improvements will provide new opportunities for businesses.

Implementation

(a) Expand the HMAN fiber optics

infrastructure throughout the County.

(b) Continue to improve transportation and utilities infrastructure that support the needs of businesses.

(c) Plan for infrastructure improvements, particularly delivery of fiber optic cable, at opportunity sites.

(d) Promote streetscape improvements and beautification projects which utilize sustainable design strategies and construction practices to improve and enhance the attractiveness of aging commercial areas.

An opportunity site is a location where the conditions are right for economic development or revitalization.

Goal EV 1.3: Support a business friendly environment.

Rationale: Providing businesses with an environment in which they can thrive is imperative.

Implementation

(a) Create an environment that is supportive of startups through incubator programs and accelerators.

(b) Ensure zoning regulations are conducive to the growth of small businesses.

(c) Build a coordinated retention program for businesses to determine their needs and concerns.

(d) Support recruitment and retention efforts by economic development organizations such as the Harford County Chamber of Commerce.

(e) Develop an online tool focused on assisting the development and growth of new businesses.

(f) Monitor the County's commercial tax rate

to increase the County's competitive edge.

Goal EV 1.4: Maintain a capacity for growth.

Rationale: Identifying and maintaining an inventory of available commercial and industrial land is important to attracting new businesses and targeting development opportunities.

Implementation

(a) Evaluate commercial land use capacity and adjust as necessary to accommodate economic development opportunities or changing regional conditions.

(b) Promote the utilization of existing commercial and industrial zoned land within the Development Envelope, especially along the US 40 corridor.

(c) Explore land banking opportunities to ensure a future supply of commercial land is available for development within the Development Envelope.

Land banking is the process by which a government or non-profit entity assembles and holds properties for future projects in order to spur economic development.

Goal EV 1.5: Create a development ready environment where businesses can thrive.

Rationale: Removing impediments for businesses to locate in Harford County will make the County the premier choice to open and operate a business.

Implementation

(a) Create a virtual tour that promotes and emphasizes the benefits of locating in Harford County.

(b) Create a program that provides tiered incentives for developers who choose to

utilize innovative development practices.

(c) Work with developers to allow for the planned densification of developments to densify over time in redeveloping areas such as US 40 and transit oriented developments.

(d) Encourage mixed-use zoning districts that provide for a balanced integration of commercial and residential uses.

Goal EV 1.6: Market Harford County as a "food hub".

The USDA defines a food hub as "a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products".

Rationale: Labeling Harford County as a food destination will attract new businesses, residents and visitors to the County and will have a secondary effect of promoting our agricultural heritage.

Implementation

(a) Cultivate small businesses that produce local goods.

(b) Establish a farm to table program to promote healthy communities and promote the County's agricultural industry.

(c) Support rural businesses and the agricultural economy by encouraging farming and tourism relating to the agricultural industry.

(d) Create festivals that focus on businesses within the food industry such as farmers, restaurants, and caterers.

(e) Expand the County's Buy Local program.

(f) Promote temporary uses, such as farmers markets, bazaars, and flea markets at Park

and Ride locations to promote healthy communities.

(g) Work with the Health Department to support the creation of a common kitchen that can be utilized by food-related businesses.

REVITALIZE EXISTING COMMUNITIES

Harford County should prioritize infill development within the Development Envelope to reduce development pressure on the rural areas of the County. Revitalizing existing communities is more economically responsible than expanding infrastructure to areas outside of our designated growth areas.

Goal EV 2.1: Adapt to changing economic conditions.

Rationale: Flexible zoning allows businesses to create, respond and adjust to rapidly changing economic conditions while ensuring the County remains resilient and ready to adapt.

Implementation

(a) Support co-working spaces and low-impact home-based businesses.

(b) Implement Planned Unit Development (PUD) zoning in target redevelopment areas. PUD zoning is a flexible zone designated to be customized to proposed projects. A market-based range of land uses in the PUD are established and revisited as the market evolves.

(c) Develop floating zones that provide flexibility for businesses, especially startups.

Goal EV 2.2: Revitalize existing commercial corridors.

Rationale: Redeveloping existing commercial corridors promotes investments in mature communities, which promotes economic

development, improves the quality of life for residents, and provides additional services and retail opportunities to areas that may be underserved.

Implementation

(a) Assess the physical, infrastructure and market conditions and needs of older commercial corridors.

(b) Create a Business Improvement District or Community Improvement District for the US 40 corridor.

(c) Inventory vacant and underutilized land to find opportunities for property assembly with a specific emphasis on US 40.

(d) Work with the Department of Inspections, Licenses and Permits to provide flexibility when utilizing vacant commercial spaces.

(e) Provide redevelopment incentives to corridors with high vacancy rates.

(f) Encourage integration of housing along commercial corridors to increase pedestrian activity.

(g) Expand Fast Track process to include projects proposing the conversion of underutilized commercial buildings and redevelopment of industrial areas.

Goal EV 2.3: Improve the appearance of aging commercial areas.

Rationale: Many aging retail areas have not been updated and the appearance of the buildings has declined. Façade improvements can encourage revitalization and stimulate investment in areas with high vacancy rates.

Implementation

(a) Create an outreach program between the Department of Planning and Zoning, the Office of Economic Development and

Department of Housing and Community Development that aims to improve the appearance of blighted properties.

(b) Encourage property owners to rehabilitate their physical facilities and infrastructure to accommodate new businesses.

(c) Explore commercial revitalization programs that provide grants or low interest rate loans for façade improvements and physical improvements.

Goal EV 2.4: Work with communities on local revitalization efforts.

Rationale: Our citizens are keenly aware of the issues that affect their neighborhoods and are an important catalyst for change. Citizens can provide valuable input about what their communities need to revitalize and succeed.

Implementation

(a) Create a neighborhood grant program for community and public spaces to improve aesthetics within neighborhoods.

(b) Update community plans and incorporate an economic development section tailored to the needs of the community.

(c) Engage communities through workshops and design charrettes.

(d) Encourage community events and social gatherings that partner with surrounding small businesses.

ENSURE AND PROMOTE A SKILLED WORKFORCE THAT WILL ATTRACT BUSINESSES

Goal EV 3.1: Provide educational opportunities that prepare students for the workforce and work to give those currently in the workforce advancement

opportunities.

Rationale: A skilled and educated workforce can promote economic development by attracting new businesses to the County.

Implementation

(a) Create a workforce development plan with an emphasis on Career and Technical Education (CTE) that prepares youth and adults for a wide range of high-wage, high-skill, high-demand careers.

(b) Engage established businesses to mentor entrepreneurs.

(c) Improve early childhood education programs and provide assistance to parents in order to ensure their children are ready for school.

(d) Partner local businesses with our schools and Harford Community College to develop comprehensive job readiness programs that aim to prepare students to enter the workforce.

(e) Increase the availability, awareness, and completion of Adult Basic Education and GED preparation courses.

(f) Work with schools to ensure that students are receiving training for jobs in emerging sectors, particularly in science, technology, engineering and math.

(g) Tailor educational programs at Harford Community College to meet market demands.

(h) Recruit employers that require a variety of educational backgrounds and skill levels.

(i) Work with the business community and APG to determine workforce needs and tailor high school and college programs to meet those needs.